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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of

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Billed Party Preference for
InterLATA 0+ Calls

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CC Docket No. 92-77

PETITION FOR RECONSIDERATION OF CLEARTEL COMMUNICATIONS, INC.,
OPERATOR SERVICE COMPANY, AND TELTRUST COMMUNICATIONS
SERVICES, INC.

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SUMMARY

Joint Petitioners request that the Commission reconsider its Order that imposes an accelerated compliance date on network-based OSPs to provide on-demand rate disclosure on all non-access 0+ calls from aggregator locations. The accelerated compliance date is blatantly discriminatory and threatens the ability of network-based OSPs to compete in the marketplace. For example, the Commission granted store and forward OSPs an additional 16 months to comply with the Commission's Order due to financial and technical burdens compliance places on those providers. As demonstrated in their Petition, Joint Petitions share the same financial and technical burdens. Basically, the Commission provided store and forward OSPs a total of 21 months to develop and implement an automated system. Network-based OSPs are entitled to the same opportunity to develop and implement an automated system, but instead are being forced to implement an unusually expensive interim process that utilizes inferior technology. This interim process relies on providing rate disclosure via a live operator. Both network-based OSPs and store and forward OSPs are capable of disclosing the rate of an operator assisted call through a live operator, and both currently do; therefore, it is discriminatory to require network-based OSPs to adopt this interim solution, while exempting store and forward OSPs until October 1, 1999.

The immense increase in cost and associated decrease in revenue caused by implementation of this interim method of compliance will harm Joint Petitioners' ability to compete in the marketplace. Furthermore, Joint Petitioners' substantial investment in this interim method will preclude Joint Petitioners from researching, developing and implementing a more cost effective, automated system in the near future. Network-based OSPs shoulder the same financial and technical burdens as store and forward OSPs, and therefore network-based OSPs deserve the same opportunity to research and develop methods of compliance with the Commission's Order. Joint Petitioners

request that the compliance date granted to store and forward OSPs be extended to network-based OSPs.

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**PETITION FOR RECONSIDERATION OF CLEARTEL COMMUNICATIONS, INC.,
OPERATOR SERVICE COMPANY, AND TELTRUST COMMUNICATIONS
SERVICES, INC.**

Pursuant to Section 1.429 of the rules of the Federal Communications Commission (“Commission”), Cleartel Communications, Inc. (“Cleartel”), Operator Service Company (“OSC”), and Teltrust Communications Services, Inc. (“Teltrust”) (together “Joint Petitioners”), by their undersigned counsel, respectfully request that the Commission reconsider its order¹ that imposes an accelerated date of July 1, 1998 on network based operator service providers (“OSPs”) for compliance with its on-demand rate disclosure rule for all non-access payphone calls. Joint Petitioners further request that the Commission apply to all OSPs the same compliance date of October 1, 1999 that was established for store and forward payphone OSPs.² Joint Petitioners and other network-based OSPs require and are entitled under the law to the same opportunity afforded to

¹ *Billed Party Preference for InterLATA 0+ Calls*, Second Report and Order and Order on Reconsideration, CC Docket No. 92-77, released January 29, 1998 (“Order”).

² For convenience, “network based” OSPs refers to those OSPs that rely on switches to process operator assisted calls. “Store and forward” OSPs refers to OSPs that utilize microprocessor based equipment to handle call processing and billing. Cleartel, OSC, and Teltrust are network-based OSPs that provide, among other services, interstate operator assisted services on a presubscribed basis to aggregator locations, including airports, hotels, motels, and universities. Consumers can obtain access to Joint Petitioners’ operator services by dialing “0+.” Joint Petitioners are network-based OSPs that must comply with the Commission’s Order within 5 months.

store and forward OSPs to develop, test and implement a cost effective, automated system for rate disclosure to consumers.³

I. INTRODUCTION

On June 6, 1996, the Commission released in this proceeding its Second Further Notice of Proposed Rulemaking (“Notice”) in which it requested comments on, among other things, its tentative conclusion that OSPs disclose to end users any rates that *exceed* a Commission established benchmark.⁴ In the alternative, the Commission requested comment on a proposal that required all OSPs to disclose rates to end users. *Id.* An overwhelming majority of the comments submitted supported the former proposal. Most parties strongly opposed applying the rate disclosure requirement to all OSPs because of the enormous financial burden, technical difficulties and anticipated consumer dissatisfaction.⁵

On October 10, 1996, the Commission released a public notice seeking further comment on specific questions raised by the parties’ comments.⁶ Two of the questions focused on the existence of technology in the operator service industry capable of providing on-demand rate disclosure and

³ Reconsideration of the Order is also pursuant to 47 U.S.C. Section 405(b)(1), which requires that within 90 days of the filing of this petition, “the Commission shall issue an order granting or denying such petition.”

⁴ *Billed Party Preference for InterLATA 0+ Calls*, Second Further Notice of Proposed Rulemaking, 11 FCC Rcd 7274, 7294 (1996). The Notice was released in the Commission’s long standing billed party preference docket that was initiated in May, 1992 to investigate AT&T’s proprietary calling cards (Phase I). Since 1992, the Commission has used the docket to examine OSPS issues (Phase II).

⁵ See e.g., Comments of American network Exchange, Inc. at 8 (7/17/96); Joint Comments of Cleartel Communications, Inc. and Conquest Operator Services Corp. at 12 (7/17/96); Comments of Competitive Telecommunications Association, Inc. at 19-20 (7/17/96); Comments of MCI at 3-4 (7/17/96); Comments of U.S. Long Distance, Inc. at 14-15 (7/17/96).

⁶ *Billed Party Preference for InterLATA 0+ Calls*, CC Docket No. 92-77, Public Notice, Common Carrier Bureau Seeks Further Comment on Specific Questions in OSPS Reform Rulemaking Proceeding, (issued 10/10/96).

the technical difficulties faced by OSPs employing store and forward equipment.⁷ The majority of commenters confirmed that no such technology existed. Parties noted that to provide on-demand rate disclosure all payphones, whether network based or store and forward, would require substantial, and possibly cost prohibitive, technical changes. The development, testing, and implementation for all payphones would require an enormous amount of time and investment.⁸

Despite the overwhelming evidence that on-demand rate disclosure would impose tremendous costs on all OSPs (and thus, ultimately consumers) in its Order the Commission required all OSPs to provide on-demand rate disclosure for all non-access 0+ calls made from public phones or other aggregator locations, such as payphones, hotels, hospitals and educational institutions.⁹ In doing so, the Commission adopted an unreasonably short and accelerated compliance date of **July 1, 1998** for network-based OSPs, while establishing a more realistic compliance date for store and forward OSPs. Specifically, the Commission granted store and forward OSPs a total of 21 months to comply with the on-demand rate disclosure requirement in recognition of the enormous burden compliance will place on them. Meanwhile, network-based OSPs, while expected to shoulder the same burden, were only given 5 months to comply. This disparate treatment of similarly situated OSPs is not supported by the record.

⁷ Specifically, question 2 stated, “What kinds of technology (including payphone equipment and associated software) are currently available to provide on-demand call rating information for calls from payphones, other aggregator locations, and phones in correctional institutions that are provided for use by inmates?” Question 5 stated, “If some or all of embedded base equipment and software are incapable of providing audible notice to consumers for on-demand call rating, what time period would be reasonable for substituting equipment and software that is capable of doing so?”

⁸ See e.g., Comments of American Network Exchange, Inc. at 3-5 (11/13/96); Supplemental Comments of the American Public Communications Council at 3-4, 5-6 (11/13/96); Comments of the Competitive Telecommunications Association at 7-8 (11/13/96); Further Comments of Intellicall, Inc. at 3-7 (11/13/97); Comments of MCI at 3, 5 (11/13/96).

⁹ Under the adopted rules, the OSPs must orally advise the caller of how to proceed to receive a rate quote without requiring the caller to dial a separate number.

Joint Petitioners respectfully request that the Commission reconsider the accelerated compliance date imposed on network-based OSPs. Such an accelerated compliance date imposes unreasonable technical deadlines and immense financial pressure on Joint Petitioners, placing them at a significant competitive disadvantage to OSPs employing store and forward phones, and thus posing a grave threat on their ability to compete in the OSPs market.

II. ADDITIONAL TIME FOR COMPLIANCE IS NECESSARY FOR NETWORK-BASED OSPs WHO SHOULDER THE SAME FINANCIAL AND TECHNICAL BURDENS AS STORE AND FORWARD OSPs

A. The Record Reflects That Technology Does Not Currently Exist That Will Provide On-Demand Rate Disclosure

Almost every commenter in this proceeding (both network-based OSPs and store and forward OSPs) confirmed that no technology currently exists to provide on-demand rate disclosure on non-access operator service calls.¹⁰ Commenters were in further agreement that due to the absence of existing technology it would take substantial time and financial resources to develop and implement such technology. The Commission's decision to impose an accelerated compliance date on some OSPs and not others evidences the Commission's belief that some OSPs can develop such technology and redesign their current systems by the July 1, 1998 deadline and at a reasonable cost.¹¹ Unfortunately, this is not the case, as is demonstrated by the record in this proceeding.

The technology currently used in the industry determines the billing rate of a call separately from and well after the call is processed. Call processing systems typically are limited to collecting

¹⁰ Even though One Call Communications describes two types of technological systems that are capable of providing on demand call rating information, it concedes that implementation in all payphones, including store and forward, will require "two man years." Comments of One Call Communications at 3 (11/13/96).

¹¹ In its Notice, the Commission initially adopted the oral disclosure rules as suggested by the Colorado PUC Staff who incorrectly believed that "most, if not all, [OSP]s have the capability of accessing a data base that provides specific rates for the specific call in question . . ." Notice, 11 FCC Rcd at 7292 and 7293.

only the information necessary to complete the call. The actual rating of the call is performed by the billing system. On-demand rate disclosure requires that the OSPs ascertain the billing information prior to call processing. At present, no real-time, automated system has the capability of obtaining and calculating all of the factors necessary (*i.e.*, time of day, distance traversed, duration of call, billing arrangement --third party, calling card, commercial credit card, collect, and additional miscellaneous fees) to determine the rate of an operator assisted call prior to call routing to the designated termination number.

Network-based OSPs face enormous technical obstacles in redesigning, testing and upgrading their current operator service systems to comply with the Order. Equally burdensome is the cost to accomplish all this. This cost is exacerbated by the short time frame within which OSPs technicians must develop a way to provide on-demand rate disclosure with their current systems. As demonstrated below, the “interim” method that network-based OSPs will be forced to implement until they can develop an automated solution will be financially crippling. The Commission has apparently recognized precisely these concerns in its decision to grant store and forward OSPs a total of 21 months to comply. The Commission cannot ignore the record evidencing that network-based OSPs are similarly situated.

B. Due To The Accelerated Compliance Date, Network-Based OSPs Must Implement An Unusually Expensive Interim Process Which Utilizes Inferior Technology

As noted above, the record reflects the fact that current operator services technology is incapable of processing a call and determining the cost of that call in an automated manner. Rate disclosure may be provided to the consumer through the use of a live operator; however, such a process is incapable of providing real-time (automated) analysis of a call. Nevertheless, due to the accelerated compliance date imposed on network-based OSPs, a live operator process must be used

as an interim method of compliance. The live operator process requires that a caller be handed off to a live operator who must solicit the information from the consumer and manually input the information in to a system separate from the call processing systems. Store and forward phones are capable of (and currently provide) rate information for operator assisted calls to consumers via a similar live operator process. In other words, store and forward payphones are identically situated as network-based OSPs since both currently provide rate information via a live operator process. Thus, it is unreasonably discriminatory and arbitrary to provide store and forward telephones 16 months more than network-based OSPs to comply.

At this time, Joint Petitioners have no alternative but to use an interim live operator process to disclose rate quotes to consumers on-demand. Currently, 0+ calls are routed to a switch that responds to the caller with a bong tone, whereby the caller responds in a manner that indicates the caller's preferred billing method, and the call is completed. The switch cannot determine if a 0+ call is an intrastate or interstate call. Therefore, to comply with the on-demand rate disclosure rule, the call must be routed to a smart facility to determine whether it is an intrastate or interstate call.¹² If the call is an interstate call, the consumer will be given the menu option to press 1 for a rate quote. If they select 1, it must then be transferred to a live operator. This method of providing rate disclosure requires, among other things, significant investment in additional equipment, an increase in transmission costs, an increase in access costs, an upgrade of facilities, an increase in the number of live operators, one or more additional automated messages, a decrease in revenue and a lower quality of service to consumers. There is no basis in the record which justifies regulatory imposition of these costs on network-based OSPs but not store and forward OSPs.

¹² Not all network-based OSPs have this capability. For instance, Teltrust cannot determine whether a 0+ call is interstate or intrastate and, therefore, is currently expending time and resources to develop software to accomplish this.

1. *The Immense Increase In Cost And Associated Decrease in Revenue Caused By Implementation Of This Interim Method Of Compliance Will Harm Joint Petitioners*

Because of insufficient lead time, Joint Petitioners must rely upon an inferior, interim method of providing on-demand rate disclosure (*i.e.*, by live operator). This interim method can threaten the continued existence of network-based OSPs. For instance, the extended routing process resulting from the interim method will require expensive equipment and upgraded facilities. Furthermore, significant increases in call holding time and delays due to quoting rates by live operators will necessitate additional trunking facilities. Likewise, the holding time and delays will require OSPs to add capacity to their operator switches and transmission systems in order to handle call volumes at peak periods. The average amount of time for a call where a rate quote is requested is expected to be significantly longer.

As explained, all non-access calls will have to be sent to a smart facility. This means additional equipment costs. Each unit on each line costs approximately \$15,000. Cleartel estimates that 55% of all calls will have to use these lines, which translates into buying approximately 15 to 24 units.¹³ Furthermore, the automation necessary to record the rate quote message (“if you would like a rate quote, please press 1 now”) is expensive and requires more units.¹⁴

2. *Discouraging Results From Recent Testing Of The Costs and Technical Problems Associated With the Interim Method of Compliance*

Since release of the Order, Cleartel has tested its method of providing rate disclosure with discouraging results. The test performed instructs the consumer to dial “1” to be transferred to a live

¹³ Teltrust confirms that they will require a similar number of units.

¹⁴ Cleartel, for example, is faced with unique circumstances since it maintains its primary live operator facility in the Dominican Republic. The location requires that Cleartel double the capacity for its facilities to meet the increase usage, thereby causing Cleartel to incur significant costs. The location of this facility, coupled with the disclosure requirements, will increase Cleartel’s expenditure for the service to approximately \$25,000 - \$30,000 per month.

operator to receive a rate. The call is then routed to a live operator at Cleartel's operator service facility. One problem recognized at the outset is that due to the variable length of time spent with the operator and the variable number of calls at any given time (specifically during high traffic times), many callers are expected to end up waiting in a queue. This, of course, will result in increased consumer dissatisfaction, increased costs due to holding time on the network, and increased costs due to consumers hanging up.

Sending the call to a live operator creates another problem. The consumer dialed a "0+" call, which attaches a certain surcharge commensurate with the costs incurred for a 0+ call. However, the call is requiring a live operator, which usually has a different surcharge due to the call type. In order to maintain that "0+" status of the call, after providing the consumer with the appropriate rate, OSPs must send the call back to the system,¹⁵ thereby placing the caller into another automated system where the consumer may input billing information (*i.e.*, calling card number). Therefore, in order to receive a rate quote, the consumer will be required to listen to one automated system instructing him or her how to obtain a rate quote, wait for the call to be transferred to a live operator (possibly waiting in a queue), provide the live operator with the necessary call information, wait for the operator to process and provide the rate, wait for the call to be transferred to another automated system, input billing information, and wait for the call to be completed. Consumers cannot be expected to accept this remarkable inconvenience.¹⁶

¹⁵ The technical method of sending the call back into automation to be treated as a 0+ call is by no means resolved. Joint Petitioners' technical staff are currently working on various ways to accomplish this.

¹⁶ MCI conducted a survey that demonstrated that "the number one reason for [consumer] dissatisfaction with 0+ operator services was that the call takes too long to set up." This survey further confirmed the "findings of the study conducted by The Gallop Organization for MCI in 1994 (copy attached to MCI comments), which found that the majority of calling card users (72%) prefer to use a calling card where you just dial zero instead of a special access code. Moreover, a majority of card users (54%) expressed their need for convenience over price and responded that they would not switch to a card that was less convenient for a 10% discount on calls." Comments of MCI, at 4 (11/13/96).

The operator could take the billing information from the caller, process and complete the call. However, this would require the operator to remain on line to get billing information. The greater time spent by operators obtaining such information and completing call will lead to fewer calls being answered causing a greater queue and higher costs (increased operator time and network time). Furthermore, these costs will not be recovered because the call must be treated as a 0+ call with an appropriate surcharge attached.

As might be expected, this interim method of on-demand rate disclosure requires an increase in the number of live operators necessary at any given time, which is another added expense. Further expenses will be incurred to increase building space for the operators and additional equipment for processing by the operators. Moreover, some calls may require providing rate information to a *billed* party, which will further complicate matters and require even more operator time.

If Joint Petitioners wish to continue providing service at reasonable rates and charging reasonable surcharges, it is clear that they will be unable to recover the increased costs resulting from the interim method of on-demand rate disclosure. To further exacerbate the situation, this method of providing rate disclosure will most certainly decrease revenues. The call delay resulting from the double automation and potential consumer queue will increase the percentage of calls that are abandoned prior to completion, thereby, further decreasing network-based OSPs' revenue. As explained in more detail below, the inferior quality of service guarantees additional losses to the Joint Petitioners.

3. *Joint Petitioners' Substantial Investment In This Interim Method Will Preclude Joint Petitioners From Researching, Developing And Implementing A More Cost Effective, Automated System In The Near Future*

To maintain current quality levels, Joint Petitioners estimate that compliance by the July 1, 1998 deadline would cost each company approximately \$750,000 dollars. For the reasons set forth above, the financial burden is predominantly caused by the interim method by which Joint Petitioners will be forced to provide on-demand rate disclosure in order to meet the accelerated compliance date. Development and operation of an automated system, would, however, decrease the cost of compliance substantially. Unfortunately, network-based OSPs will be forced to invest most, if not all, available funds in an inferior, interim method of compliance. This will prevent Joint Petitioners from having the necessary resources to research, develop, and implement a cost effective, quality automated system. Store and forward OSPs, on the other hand, have the necessary time to develop and invest in superior, well developed technology without wasting significant resources in inferior, interim technological solutions.

III. THE ORDER IS UNEQUIVOCALLY DISCRIMINATORY ON ITS FACE

As noted above, network-based OSPs that currently offer reasonably priced, quality service to consumers, will be faced with a perceived decrease in the quality of their services due to the implementation of an inferior, interim method to meet the accelerated compliance date. This perceived decrease in quality of service causing curtailed usage of service and, thereby, decreasing revenues further, will threaten the ability of network-based OSPs to compete in the marketplace.

The record convincingly demonstrates that absent technical solutions that do not currently exist and that will not exist by the accelerated compliance date, interim rate disclosure solutions will delay call completion time and increase hold time, resulting in substantial inconvenience to callers

and inevitably leading to an increased percentage of calls that are abandoned prior to call completion. Callers that are confused or impatient will hang up prior to call completion. Further, due to the unreasonable financial costs of the interim solution, network-based OSPs will be forced to raise rates to recover some of the expenses of implementing and operating the interim method of providing on-demand rate disclosure. The higher rates, which will be disclosed, will result in even more disconnected calls. This escalation in abandoned calls will cause greater financial stress on network-based OSPs since they will be unable to recover such costs. Thus, the accelerated compliance date unreasonably discriminates against network-based OSPs.

A. Discriminatory Treatment Will Distort Business Decisions Harming Joint Petitioners' Ability To Compete On The Local Playing Field

The disparate treatment between network-based OSPs and store and forward OSPs creates enormous incentive for Independent Public Payphone ("IPP") providers to use store and forward OSPs rather than network-based OSPs. IPP providers control the payphone and determines the OSP who serves the payphone. The discriminatory regulatory treatment between network-based OSP and store and forward OSPs creates immense differences in the potential profits and level of consumer satisfaction offered by each type of technology. For example, since store and forward OSP will not need to disclose rates, rates are likely to be higher than network-based OSPs, thus, commissions to IPP providers will be higher if the IPP provider chooses to use store and forward phones.¹⁷ An IPP provider will chose the option that offers the greatest profit and greatest consumer satisfaction with the least headaches (*i.e.*, verbal, on the premise consumer complaints to store owner).

IPP providers determining what type of payphone to purchase and install will undoubtedly choose store and forward payphones since the regulatory burdens on network-based phones will

¹⁷ If Joint Petitioners cannot develop a way to determine between intrastate and interstate calls, all call will receive on-demand rate disclosure.

result in possible loss of profits, additional expenses and greater consumer dissatisfaction. In all likelihood, the regulatory regime will reward more imaginative payphone owners who modify their payphones so as to qualify as store and forward. As a result, store and forward manufacturers benefit from the discriminatory treatment in the Commission's Order and network-based OSPs lose.

Another concern raised by the discriminatory compliance date is the possibility that store and forward OSPs may not create a real-time, automated rate disclosure system and instead utilize network-based OSPs when the October 1, 1999 deadline arrives. Store and forward OSPs should be capable of providing a recorded message to consumers that instructs the consumer to press a digit (*i.e.*, "please press 1") if the consumer would like a rate quote. The store and forward OSPs can then pass the call off to a network-based OSP to provide the rate quote via a live operator. Since store and forward OSPs can do this today there is no reason to think they may not do it on October 1, 1999 in order to comply with the Commission's Order. Consequently, nothing compels store and forward OSPs to develop an automated system by the October 1, 1999 deadline. Store and forward OSPs could forgo spending financial resources on research, development and/or implementation and, instead, after October 1, 1999, pass the call off to a network-based OSP.

This damage to network-based OSPs described above is unacceptable in a competitive market since the strong incentive to use store and forward technology and the resulting loss of business to network-based OSPs will not be for usual competitive reasons, such as inefficient operations or inferior service, but rather due to a Commission regulation.

B. The Accelerated Compliance Date Will Only Serve To Penalize Those Network-Based OSPs That Comply With The Rules

Network-based OSPs will, in effect, be penalized for having installed equipment and systems that can provide a rate quote by July 1, 1998. The investment in an inferior, interim method is

wasteful and irresponsible. Once sufficient research is conducted, the industry is expected to develop less expensive, more efficient methods of providing on-demand rate disclosure. A network-based OSPs that complied with the Commission's unfair, accelerated compliance date will have lost immense amounts of money, own inferior equipment in comparison to its competitor, incurred a negative public image by offering poor quality service, and be unlikely to invest in new, efficient equipment due to a lack of financial resources.

In addition, absent stringent enforcement by the Commission, serious commercial harm would be inflicted on carriers that endeavor, in good faith, to comply with the Commission's rules.¹⁸ For instance, carriers that can evade the rate disclosure requirement will be in a position to out-bid carriers that comply with the rules. IPPs will choose store and forward OSP or non-complying OSPs that can charge lower rates because they don't have to recoup compliance costs.

Lack of enforcement will exacerbate the burdens imposed on network-based OSPs that already are forced to meet the accelerated compliance date. A minority of OSPs in the end may have implemented the interim method of providing on-demand rate disclosure. Without effective enforcement, many network-based OSPs may take their chances and wait for a more cost effective technology to be developed. Thus, instituting a disclosure regime without realistic threat of effective enforcement will only further harm carriers that undertake to comply with Commission rules in good faith.

IV. DUE PROCESS

The Commission failed to provide adequate notice of its proposal to impose a burdensome on-demand rate disclosure requirement on network-based OSPs on an accelerated basis. Imposition

¹⁸ In its Order, the Commission has failed to address how it intends to enforce the on-demand rate disclosure requirement.

of such a requirement on an accelerated basis is unjust and violates the Joint Petitioners' due process rights. Section 64.703(3) of the Commission's rules require that OSPs "[d]isclose immediately to the consumer, upon request and at no charge to the consumer -- (i) a quotation of its rates or charges for the call;" 47 C.F.R. §64.703(3). This rule does not specifically require that such disclosure be offered and provided on the initiated call before it is connected. Id.

Similarly, the Commission's Notice only notes that OSPs *that would be subject* to the rate disclosure requirement to begin to take the actions necessary to be able to implement the rate disclosure rule in a timely manner.¹⁹ The OSPs that would be subject to the on-demand rate disclosure requirement at the time of the Notice, and throughout the entire proceeding, were those that charged rates above (or would be willing to charge rates above) the Commission benchmark. Carriers such as Joint Petitioners that never intended to charge above the benchmark were therefore never on notice that they would be subject to a rate disclosure rule, much less one under the accelerated time frame adopted for network-based OSPs.

V. STAY OF RULE; WAIVER OF RULE

Because of the accelerated schedule between now and July 1, 1998, and the enormous costs associated with the interim solutions to the rate disclosure requirement, Joint Petitioners respectfully request that pursuant to Section 1.429(k) of the Commission's rules, the Commission stay the effective date of the rule pending a decision on this petition for reconsideration. Alternatively, Joint Petitions believe that good cause has been demonstrated above to grant a waiver of the rule and, therefore, Joint Petitioners respectfully request a waiver of the on-demand rate disclosure rule until

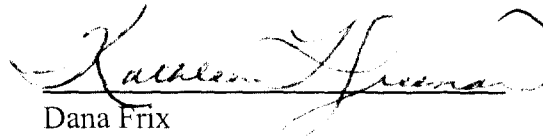
¹⁹ Notice, 11 FCC Rcd at 7294.

October 1999 when they believe they can develop, test and implement an automated technology capable of providing on-demand rate disclosure.

CONCLUSION

Joint Petitioners respectfully request that the Commission grant the petition for reconsideration for the reasons stated herein.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Kathleen L. Greenan", is written over a horizontal line.

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April 9, 1998